



December 18, 2018

As you know, the events of September 11, 2001 changed many aspects of the world. U.S. Customs and Border Protection is intensifying its border security efforts in order to minimize the possibilities of terrorist acts and the introduction of weapons of mass destruction into the U.S.

We at Knowles Electronics, LLC wish to be good corporate citizens and therefore we are entering into partnership with U.S. Customs and Border Protection in the area of border security.

We have been asked to contact all our major overseas vendors to advise them of this fact. Enclosed, please find Security recommendations given by the U. S. Customs and Border Protection Agency. Please review these recommendations and advise us in writing of your present state of security. We understand that each business has financial and human resource limitations. Please make every effort to fully comply with the Manufacturer Security recommendations.

We would appreciate your assessment of your present security status within 30 days.

When answering the questionnaire, please add additional comments that may help explain the issue addressed in the question. Thanks for your cooperation and we look forward to continuing our fine business relationship. If you have any questions, please contact Sara Song and Bonnie Werrbach via the following methods:

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Sincerely,

Richard Xu
Sr. Director Supply Chain Knowles Electronics, LLC

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Customs Security Recommendations for Manufacturers

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Overseas Manufacturers are required to develop and implement a sound plan to enhance security procedures.

These are general recommendations that should be followed on a cases-by-case basis depending on the company's size and structure and may not be applicable to all. The company should have a written security procedure plan in place that addresses the following:

Physical Security: All buildings should be constructed of materials, which resist unlawful entry and protect against outside intrusion. Physical security should include:

- Adequate locking devices for external and internal doors, windows, gates, and fences.
- Segregation and marking of international, domestic, high-value, and dangerous goods cargo within the warehouse by a safe caged or otherwise fenced in area.
- Adequate lighting provided inside and outside the facility to include parking areas.
- Separate parking for private vehicles separate from the shipping, loading dock and cargo areas.
- Having internal/external communications systems in place to contact internal security personnel or local law enforcement police.

Access Controls: Unauthorized access to the shipping, loading dock and cargo areas should be prohibited. Controls should include:

- The positive identification of all employees, visitors and vendors.
- Procedures for challenging unauthorized/unidentified persons.

Procedural Security: Measures for the handling of incoming and outgoing goods should include the protection against the introduction, exchange, or loss of any illegal material. Security controls should include:

- Having a designated security officer to supervise the introduction/removal of cargo.
 - Properly marked, weighed, counted, and documented products.
 - A procedure for verifying seals on containers, trailers, and railcars.
 - Procedures for detecting and reporting shortages and overages.
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- Procedures for tracking the timely movement of incoming and outgoing goods.

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- Proper storage of empty and full containers to prevent unauthorized access.
- Procedures to notify Customs and other law enforcement agencies in cases where anomalies or illegal activities are detected or suspected by the company.

Personnel Security: Companies should conduct employment screening and interviewing of prospective employees to include periodic background checks and application verifications.

Education and Training Awareness: A security awareness program should be provided to employees including recognizing internal conspiracies, maintaining product integrity, and determining and addressing unauthorized access. These programs should encourage active employee participation in security controls.

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Security Questionnaire

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1. Are there locking devices installed for external and internal doors, windows, gates and fences?
Yes___ No___ Comments:
2. Is the building constructed of materials that resist unlawful entry and protect against outside intrusion?
Yes___ No___ Comments:
3. Are shipments of international, domestic, high-value, and dangerous goods cargo within the warehouse segregated in the warehouse by a safe, caged, or otherwise fenced in area?
Yes___ No___ Comments:
4. Is adequate lighting provided inside and outside the facility to include parking areas?
Yes___ No___ Comments:
5. Is there separate parking area for private vehicles from the shipping, loading dock and cargo areas?
Yes___ No___ Comments:
6. Are there internal and external communications systems in place to contact internal security personnel to local law enforcement police?
Yes___ No___ Please provide detail:
7. Does the company have positive identification of all employees, visitors and vendors?
Yes___ No___ Comments:
8. Are there procedures for challenging unauthorized or unidentified persons?
Yes___ No___ Please provide detail:
9. Is there are designated security officer to supervise the introduction and/or removal of cargo.
Yes___ No___ Comments:
10. Are products properly marked, weighed, counted, and documented before shipment?
Yes___ No___ Comments:

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11. Are there procedures for verifying seals on containers, trailers, and railcars?

Yes___ No___ Please provide details:

12. Are procedures in place for detecting and reporting shortages and overages?

Yes___ No___ Comments:

13. Are procedures in place for tracking the timely movement of incoming and outgoing goods?

Yes___ No___ Comments:

14. Does the company properly store empty and full containers to prevent unauthorized access?

Yes___ No___ Comments:

15. Are procedures in place to notify Customs and other law enforcement agencies in cases where anomalies or illegal activities are detected or suspected by the company?

Yes___ No___ Please provide details:

16. Does the company conduct employment screening and interviewing of prospective employees including background checks and application verifications?

Yes___ No___ Please provide details:

17. Are employees trained to recognize internal conspiracies, maintaining product integrity, and determining and addressing unauthorized access?

Yes___ No___ Comments:

18. Does your company participate in local country Security Programs?

Yes___ No___ Please provide details:

Company: _____

Address of facility reviewed: _____

City, Province, Country: _____

Signed (Officer of Company): _____

Title: _____

Date: _____

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